

To Ron F.

JIM

JUN 29 1984

APRIL 23, 1984

THE DIRECTOR OF THE DIVISION OF STATE LANDS TOOK FORMAL ACTION ON APRIL 23, 1984 AT 10:00 A.M. IN THE STATE LAND OFFICE, 3100 STATE OFFICE BUILDING, SALT LAKE CITY, UTAH 84114, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

\*\*\*\*\*

REINSTATEMENT OF ML 26607 GILSONITE

The above-numbered lease was cancelled January 16, 1984, for non-payment of the annual rental. It appears that this failure to pay rental occurred as result of a misunderstanding of division of responsibilities among newly elected officers of the corporation and the failure of Midas Gilsonite to inform our office of the company's change in address.

It appears that Midas Gilsonite was preparing to initiate a new phase of production operations on the property at the time of lease cancellation. The State is not responsible for lessee's failure to pay annual rental on a timely basis. Nevertheless, I recommend that in this case, in view of the misunderstanding which led to lessee's failure to pay annual rental on a timely basis, that this lease be reinstated with the understanding that lessee must commence commercial production operations on this property during 1984. This reinstatement should also be contingent on lessee immediately paying all rentals and penalty fees which are due the State. The lease should be reinstated in the name of Midas Gilsonite, Inc., 255 East 400 South, Suite 210, Salt Lake City, UT 84111.

Upon recommendation of Mr. Blake, the Director approved the above captioned action.

ML 26607 - ACCEPTANCE OF REPLACEMENT BOND

Midas Gilsonite, Inc., 255 East 400 South, Suite 210, Salt Lake City, UT 84111, has submitted Certificate of Deposit No. 103437 drawn on First Interstate Bank in the amount of \$5,000 to serve as bond for mining operations and disturbances on lands under ML 26607 Gilsonite.

This bond appears in order, and upon recommendation of Mr. Blake, the Director accepted the above captioned bond and ordered it deposited with the State Treasurer for safekeeping.

Concurrently, I recommend release of Certificate of Deposit No. 132884 drawn on First Interstate Bank in the amount of \$2,000 and presently serving as bond for operations under this lease.

Upon recommendation of Mr. Blake, the Director released the above captioned bond.



13 13.

18

Midas  
Colomite

TOWNSHIP 9S, RANGE 21E

- SEC. 25
- 1. SW 1/4 OF NW 1/4
  - 2. NW 1/4 OF SW 1/4
- SEC. 26
- 3. NE 1/4
  - 4. NE 1/4 OF NW 1/4

- SEC. 30
- 5. NW 1/4 OF SE 1/4
  - 6. SE 1/4 OF SE 1/4
  - 7. NE 1/4 OF NW 1/4
  - 8. NW 1/4 OF NE 1/4
  - 9. SE 1/4 OF NW 1/4
  - 10. SE 1/4 OF NE 1/4

ML

ML  
McC

by  
ML